

TECHNOLOGY ASSESSMENT BRIEF

Transferring Managed Care Principles to VHA Report #2

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Report Date: August 1996

Primary Objective: To identify managed care principles that will help VHA improve its efficiency and effectiveness while preserving its unique mission.

Methods Used: Systematic review of published research and other sources.

Key Findings: Managed care models appropriate for VHA share a number of principles: • organizational mission to improve the health of enrolled populations; • focus on primary care; • disease-focused integrated care strategy; • resources managed through quality management; • incentives that promote well-being of enrolled populations; • high value on evidence-based clinical practice; • evidence-based assessment of ethical impact of managed care approaches on health care delivery and outcomes.

Several practices support the advancement of these principles: • careful composition of physician panels to ensure populations' needs are served; • use of primary care physicians as gatekeepers to promote adequate access to primary care and appropriate use of specialist services; • various types of utilization review and care management, including physician profiling and case management; • efforts to influence physician behavior through education, feedback, quality improvement, administrative rules, and financial incentives and penalties.

Conclusions/Recommendations: VHA has begun to adopt managed care practices, but would benefit from explicit attention to these areas:

- Ethical dilemmas associated with managed care should be addressed through population health advocacy.
- Effective health care services and delivery mechanisms should be defined through technology assessment.
- Explicit change management strategies are needed to implement population health, evidenced-based decision making, and other managed care strategies.
- Quality management should be used systemwide to manage resources.